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SUBJECT: BRAZIL: BRAZIL MUNICIPAL ELECTIONS: FIRST ROUND
SHOWS STRENGTH OF INCUMBENCY, GOVERNING PARTY GOING INTO
2010 PRESIDENTIAL RACE

REF: A. BRASILIA 01320

[1](#)B. SAO PAULO 00536

[1](#)1. (U) Summary: During local elections held on Sunday, October 5, in over 5500 Brazilian cities and towns (but not in Brasilia, as the DF has a governor but no mayor), Brazilians voted for mayors and city councils peacefully without incident. In state capitals they generally re-elected mayors or sent them to the second round. Although President Lula's Workers Party (PT) and the Brazilian Democratic Movement party (PMDB- Brazil's Largest, non-ideological party, which is a member of the governing coalition) did not gain a substantial number of mayoralties over 2004, they are the big winners of the first round because the Brazilian Social Democracy Party (PSDB) and the Democrats (DEMs), the main opposition parties, both lost ground. The DEMs lost their traditional place as one of Brazil's four largest parties, at least in terms of mayors elected. Although Lula could not consistently translate his immense popularity into strong first-round electoral victories, the PT may have done well enough to strengthen his preferred candidate for 2010, Dilma Rouseff. Her most likely opponent, Sao Paulo governor Jose Serra, received a boost when the Sao Paulo mayoral candidate he backed made it into the second round (Ref b). Observers will look closely at the second round voting on Sunday October 26, particularly in Sao Paulo, as a signpost for the prospects of candidates and parties in the 2010 presidential race. End summary.

Key Matchups

[1](#)2. (U) In Sao Paulo, incumbent Mayor Gilberto Kassab (DEM), the candidate backed by state governor Jose Serra (PSDB), surprised pundits by besting both PSDB candidate Gerald Alckmin and PT candidate, Marta Suplicy, a former SP mayor and Lula Tourism Minister. The Kassab win signals strong support for state governor Jose Serra among Social Democrats and probably ensures Serra's presidential candidacy for the party in 2010. Kassab could well pull off a final round victory, which would be seen as a major defeat for Lula. But the fact that Sao Paulo is a PT stronghold and Lula's overall popularity is high mean that this is no sure bet (see Ref B for additional analysis).

¶3. (U) In Belo Horizonte Marcio Lacerda (PSB), the candidate backed by Minas Gerais governor and potential presidential candidate Aecio Neves (PSDB), saw his support drop in the last week, and he will now go into a second round against Leonard Quintao (PMDB). This poorer-than-expected showing, along with the loss by Alckmin in Sao Paulo, whom Neves also supported, has weakened Neves's prospects as a potential PSDB candidate for 2010.

¶4. (SBU) In Rio de Janeiro, Federal Deputy Fernando Gabeira of the Green Party, known for his role in the 1969 kidnapping of US Ambassador Burke, made it into the second round. Gabeira has expressed public regret for his participation in the kidnapping and has and has renounced recourse to such illegal acts. Even so, the USG continues to deny him a visa to the U.S. The Mission has already received press inquiries about his status vis-a-vis the United States. Gabeira is now a crusader for ethical government and environmentalism.

¶5. (U) In Recife, as expected, PT candidate Joo da Costa won outright (with over 51% of the vote), even though a lower court disqualified him from running for office in December for alleged campaign violations. Da Costa could continue to run because his case is on appeal, but it is still not certain whether he will be able to take office.

National Implications

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¶7. (U) In the 26 state capitals, the 15 first-round victories mostly went to incumbents or their surrogates, and elsewhere incumbents who were running generally made it into the second round. In capitals, incumbents from President Lula's Workers' Party won or went on to round two, with six first-round wins, more than any other party. Analysts noted that the results show incumbents used the resources and power of incumbency effectively to gain re-election.

¶8. (U) The PT, PMDB and PSDB are the big winners as far as the parties go. The PT won 13 major cities (population of 200,000 or more) and is in second-round contention in 15 more. The PMDB has won ten major cities and is contesting the second round in ten. The PSDB has won 9 cities and contests in the second round in ten more. As expected, the PMDB appears on track to carry the majority of municipalities country-wide. The PT and its allies are contending in the second round in 18 of Brazil's 20 state capitals. The good PT showing lays a good base for Dilma Rousseff, as President Lula's preferred candidate to succeed him, to launch her campaign to be the PT nominee for 2010.

¶9. (U) Although Lula's Workers Party (PT) and the Brazilian Democratic Movement party (PMDB- Brazil's largest party and a member of the governing coalition) did not gain a substantial number of mayoralities over 2004 (473 versus 411 in 2004 for the PT; 1,065 versus 1,059 in 2004 for the PMDB), the Brazilian Social Democracy Party (PSDB) and the Democrats both lost ground (664 versus 870 in 2004 for the PSDB; 432 versus 790 in 2004 for the Democrats). The Democrats actually fell from their traditional perch among Brazil's four biggest parties, at least in terms of mayors elected. Overall, the PT won in urban areas with a combined total of almost 19 million voters among the major cities, versus the PMDB, which did so in cities with a combined 14 million voters, and the PSDB in cities with a combined 8 million. Although it did modestly well nationally, the only major city where the PSDB won was in Curitiba, which has the sixth largest electorate in Brazil.

¶10. (U) Observers will be watching the second round of voting closely to see who gains strength for the 2010 presidential

race, already well under way informally. In Sao Paulo, a Kassab victory would boost Serra and be a major defeat to Lula and the PT. A victory by Suplicy, on the other hand, would boost the PT's chances. In Belo Horizonte, a second-round victory by Lacerda would help Aecio Neves, but would not overcome the advantage conveyed to Serra by a Kassab win in Sao Paulo. Some analysts see think Neves could switch from the PSDB to the PMDB, making him a viable running mate for Serra. Nationally, each party's showing in large cities will be seen as both an indication of their popularity heading into 2010. More importantly, control over municipalities provides resources that can help a party mobilize for the national election.

Few Incidents, as Military is Deployed to Provide Security

¶10. (U) The president of the Superior Electoral Court reported no significant incidents during voting. Federal troops were deployed in 460 towns and cities (a figure, according to news reports, 25 percent higher than in 2004) to guarantee public security during voting, most significantly in Rio de Janeiro, where over 4,000 troops were stationed in the city's large favelas (slums) to ensure that organized crime gangs did not disrupt or attempt to direct voting.

¶11. (U) One day after the elections, the state of Pernambuco saw more than 10,000 protesters clash with military police from the state as rumors spread throughout the town of Vitoria de Santo Antao that votes were left uncounted, and that this may have derailed the election of the Brazilian Socialist Party (PSB) candidate for mayor, who lost by 232 votes. About 40 people were arrested.

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